

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re Audio Book Club, Inc.

Serial No. 74/567,910

Jeffrey M. Samuels for Audio Book Club, Inc.

Elizabeth M. Wood, Trademark Examining Attorney, Law Office
102 (Thomas Shaw, Managing Attorney).

Before Cissel, Seeherman and Wendel, Administrative
Trademark Judges.

Opinion by Wendel, Administrative Trademark Judge:

Audio Book Club, Inc. has filed an application to register the designation AUDIO BOOK CLUB for "retail mail order services featuring electronically recorded books."¹ Applicant initially sought registration on the Supplemental Register, but later amended the application to one seeking registration on the Principal Register under Section 2(f), based on a claim of acquired distinctiveness.

¹ Serial No. 74/567,90, filed August 31, 1994, alleging first dates of use of January 1994.

Registration has been finally refused on the grounds that the designation is merely descriptive under Section 2(e)(1); that the evidence with respect to acquired distinctiveness is insufficient for registration of the designation under Section 2(f); and that the designation is generic and, thus, incapable of registration under Section 2(f).²

² The prosecution of this case has been long and convoluted. Although the application was filed as one seeking registration on the Supplemental Register, the Examining Attorney originally assigned to examine this application, in his first action, refused the mark as being merely descriptive under Section 2(e)(1). When this error was noted, he issued a new refusal on the basis that AUDIO BOOK CLUB is generic and incapable of functioning as an indication of source. Applicant filed a response to this refusal and then filed a supplemental response, on December 7, 1995, amending the application to one seeking registration on the Principal Register under Section 2(f), accompanied by a declaration of acquired distinctiveness. Applicant subsequently filed second, third and fourth supplemental responses, each introducing evidence in support of its claim of acquired distinctiveness, which will be discussed *infra*. The Examining Attorney, on May 17, 1996, issued a final refusal on the ground of genericness, refusing to consider applicant's claim of distinctiveness under Section 2(f). Applicant filed first and second requests for reconsideration, each accompanied by additional evidence. Applicant next filed a notice of appeal on November 12, 1996.

The Board, on review of the file, on November 27, 1996, found the final refusal to be premature, since this was the first refusal after applicant's proposed amendment of the application to Section 2(f). The Examining Attorney was required to enter the amendment to Section 2(f) and to issue a non-final action, if necessary, after consideration of applicant's requests for reconsideration and all evidence of record. The Examining Attorney issued such an action on December 19, 1996, holding the evidence submitted by applicant insufficient to establish acquired distinctiveness and reiterating his refusal on the ground of genericness. Applicant filed its response, accompanied by an updated declaration of acquired distinctiveness. The Examining Attorney issued a final refusal on August 4, 1997, on the grounds that AUDIO BOOK CLUB is generic and that, although

Applicant and the Examining Attorney have filed briefs,³ but an oral hearing was not requested.

The issues before us are whether the designation AUDIO BOOK CLUB, when used in connection with applicant's retail mail order services for electronically recorded books, is generic, or, if not generic, whether the designation has acquired distinctiveness as would permit registration under Section 2(f). If generic, the designation is by definition incapable of indicating source. See *In re Merrill Lynch, Pierce, Fenner, and Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141 (Fed. Cir. 1987). If not generic, since applicant first sought registration on the Supplemental Register and later under Section 2(f) on the Principal Register, the designation has been conceded to be descriptive and the only question is whether it is registrable on the basis of acquired distinctiveness. See *In re Leatherman Tool Group Inc.*, 32 USPQ2d 1443 (TTAB 1994).

We turn first to the issue of genericness. The burden of proof is on the Office to show by "clear evidence" that AUDIO BOOK CLUB is a generic designation for the mail order

applicant's evidence had been taken into consideration as part of the total evidence, applicant's claim under Section 2(f) was to no avail. This appeal followed.

³ The first Examining Attorney having left the Office, the case was turned over to a different Examining Attorney for the appeal brief. The grounds argued on appeal are as set forth above.

services identified by applicant. See *In re Merrill Lynch*, 4 USPQ2d at 1143. Evidence of whether the relevant public's perception of the designation is as a generic reference or as an indication of source may be obtained from any competent source, including newspapers, magazines, dictionaries, catalogs and other publications. See *In re Northland Aluminum Products, Inc.*, 777 F.2d 1556, 227 USPQ 961 (Fed. Cir. 1985); *In re Leatherman Tool Group, Inc.*, *supra*.

The Examining Attorney who first examined this application introduced as evidence in support of his genericness refusal excerpts of articles obtained from the NEXIS database depicting use of both the full designation "audio book club" and the components "audio book" and "club"; a dictionary definition for the "club" component; applicant's own promotional materials; an excerpt from the publication *Billboard*; and solicitation materials of a competitor, Columbia House.

The first category of evidence relates to the term "audio book" and its usage in reference to electronically recorded books. The Examining Attorney, in his action of May 17, 1996, made of record a sampling of the over 3600 stories obtained from a NEXIS database search for the term "audio book" or "audiobook." In these excerpts numerous

instances are found of the use of the term "audio book(s)" to describe recorded books in general, as well as to refer to the recorded books produced by various sources, such as "Random House Audiobooks," "Penguin Audiobooks," and "Naxos Audio Books." The Examining Attorney next turned to applicant's own promotional literature, which had been submitted in connection with applicant's declaration of distinctiveness. In this literature, applicant offers "3 Audio Books for Just 99¢", and encourages purchasers to "buy audio books at big savings" and to accept the deal to "buy at least four more audio books within the next two years at regular Club prices." Finally, the Examining Attorney points to the publication *Billboard* and the inclusion therein of a section devoted to reviews of "Audio Books."

The second category of evidence relates to use of the term "club" in reference to a mail order service similar to applicant's, namely, a commercial enterprise which is selling a product, but also requires membership and offers discounts and the like. For this purpose, the Examining Attorney made of record a sampling of excerpts obtained from a NEXIS database search for the phrase "mail order clubs." These excerpts show frequent use of the term "mail order club" in connection with the sale of various

products, including not only books, but also goods such as wine, beer, CD-ROMs, and even chocolates. With respect to the word "club" alone, he introduced the following dictionary definition from the *Random House Unabridged Dictionary* (1993):

4. an organization that offers its subscribers certain benefits, as discounts, bonuses, or interest, in return for regular purchases or payments: *a book club, a record club.*

The Examining Attorney referred to applicant's own promotional material to demonstrate the applicability of this definition to applicant's mail order services. He pointed to specific statements in applicant's promotional membership guide indicating that discounts (25-35%) and benefits (bonus points toward free audio books) were being offered to subscribers "as a Club member," contingent upon entry into an "enrollment agreement to purchase four audio books within the next two years."

The remaining evidence relates to the full designation, "audio book club." The Examining Attorney made of record the results of an initial NEXIS database search for this designation in his first refusal issued April 1995. In this search, he obtained 16 stories, with at least ten of the references being to applicant, but also with six generic uses of the designation. In his action

issued May 1996, he updated this search, but this time specifically excluded references to capitalized forms of the designation. In this search, he obtained 19 stories, at least 11 of which show generic use of the designation "audio book club." The following are representative:

I have included an icon for places that provide audiobooks unabridged. And I have noted audiobook clubs, as well as places that rent audiobooks. The Washington Post (Sept. 7, 1995).

To buy tapes at a discount, consider joining an audiobook club, such as Audiobooks Direct ... or Columbia House Audiobook Club Travel-Holiday (June 1995).

Hodgkins says he expects the new audiobook clubs... to increase the market in 1995. Billboard (April 22, 1995).

After a successful test, the Literary Guild is poised to launch a third audiobook club. But while many agree the clubs will bring exposure to audiobooks, they wonder if three clubs can survive. Publishers Weekly (March 6, 1995).

The Examining Attorney also made of record a copy of solicitation materials received by him from Columbia House, offering membership in its new "audiobook club".

It was the position of the original Examining Attorney, and is the position of the Office on appeal, that this evidence demonstrates that the designation which applicant seeks to register is no more than a combination of two individual terms that name, or are generic for, applicant's services, and that in combination continue to

function in this manner. As such, it is asserted that AUDIO BOOK CLUB is incapable of functioning as an indicator of source for applicant's mail order services, under the line of reasoning set forth in *In re Gould Paper Corp.*, 834 F. 2d 1017, 5 USPQ2d 1110 (Fed. Cir. 1987) and *In re Associated Theatre Clubs Co.*, 9 USPQ2d 1660 (TTAB 1988).

Applicant contends that the Office has failed to meet its burden of proof; that AUDIO BOOK CLUB is not generic; and that the designation has acquired distinctiveness as used in connection with applicant's services through extensive promotion and advertising. Applicant argues that, although the NEXIS database evidence introduced by the Examining Attorney may demonstrate widespread use of the terms "audio book(s)" or "mail order club," most of the references to "audio book club" were to applicant, and not to a service in general. As for those which might be considered generic usages, applicant urges that we must take into consideration that those were subsequent to applicant's first use of the designation for a new service.⁴

⁴ Applicant likens the situation here to that in *Books on Tape, Inc. v. The Booktape Corp.*, 836 F.2d 519, 5 USPQ2d 1301 (Fed. Cir. 1987). In that case, the Court reversed the Board's holding that BOOKS ON TAPE was generic, on the basis that there was no evidence of record that either the petitioner or others in the industry had used the term generically. The Court noted that while there had been some "vernacular" uses of the term in newspaper articles, most of the articles concerned petitioner and

Furthermore, applicant maintains that its evidence of acquired distinctiveness must be taken into consideration, not only in connection with its claim under Section 2(f), but also as bearing upon the issue of genericness itself, citing *In re Paint Products Co.*, 8 USPQ2d 1863 (TTAB 1988).

As evidence that its designation would be perceived as an indication of source, applicant points to the updated declaration of acquired distinctiveness submitted June 16, 1997 in which applicant states, *inter alia*, that, as of June 30, 1997, applicant will have spent over \$8 million in advertising its services under AUDIO BOOK CLUB, as well as over \$2 million for catalogs sent to its members every three weeks and welcome packages to first-time members; that applicant has accumulated over 200,000 members since its beginning; that it has run advertisements in numerous magazines, book review publications and newspapers; that it has advertised on four online services; that it has advertised on the Rush Limbaugh radio show and on national television; and that it has sponsored the Orlando Jackals, a professional roller hockey team, with some of the games

the fact that petitioner had started a new industry, or were a misuse or play upon petitioner's name. 5 USPQ2d at 1302.

Here we obviously are faced with a different evidentiary record. While we have taken heed of the Court's scrutiny of media usage of a term, our determinations are necessarily linked to the specific evidence before us.

being carried on either local or national television. Applicant notes its submission of a total of 49 letters, all identical in content, from subscribers to its club, in which these members join in the statement that they "believe that the name AUDIO BOOK CLUB is distinctive in that it identifies and distinguishes the services offered by Audio Book Club, Inc. from those of others." In addition, applicant notes its introduction of a printout from a Web site maintained by Columbia House in which potential subscribers to an offering of that entity are requested to identify all clubs or subscription series to which they presently belong, with The Audio Book Club being listed as one choice. Applicant argues that this listing demonstrates recognition by its competitor Columbia House that AUDIO BOOK CLUB functions as a source indicator.

Finally, applicant argues that consideration must be given to the 19 third-party registrations it has made of record for marks such as DETECTIVE BOOK CLUB, HISTORY PAPERBACK CLUB, MYSTERY PAPERBACK CLUB, QUALITY PAPERBACK CLUB, SCIENCE FICTION BOOK CLUB and CHEMICAL ENGINEERS' BOOK CLUB, some on the Principal Register under Section 2(f), some on the Supplemental Register, and a few on the Principal Register, without any indication of recourse to Section 2(f). Applicant argues that no distinction can be

made between these marks and its own; each contains the word "club", which renders the marks registrable.

Applicant relies upon this evidence as additional support for its argument that, even though "audio book" may be generic when used in connection with applicant's services, and the term "club" may be generic in certain contexts, the composite, AUDIO BOOK CLUB, is not generic or the name of applicant's services.

The critical issue in determining genericness is whether members of the relevant public primarily use or understand the designation sought to be registered as a reference to the genus or category of services in question. See *In re Recorded Books, Inc.*, 42 USPQ2d 1275 (TTAB 1997); *In re Women's Publishing Co., Inc.* 23 USPQ2d 1876 (TTAB 1992). We follow the two-step inquiry set forth by our primary reviewing court in *H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986), namely:

- (1) What is the genus or category of services at issue?, and
- (2) Is the designation sought to be registered understood by the relevant public primarily to refer to that genus or category of services?

Here the genus or category of services involved is retail mail order services featuring electronically

recorded books. From the evidence made of record, including applicant's own uses of the term, we find "audio book(s)" to be a recognized generic equivalent of "electronically recorded books."⁵ The genus of services may accordingly be equally defined as audio book retail mail order services.

Thus, the issue narrows down to whether the relevant public, which here is the general purchasing public, primarily understands AUDIO BOOK CLUB to refer to audio book retail mail order services in general, or whether the relevant public primarily views this designation as an indication of a single source of these services. In making this determination, we have taken into consideration all evidence of record touching on the public perception of the designation, including any evidence submitted in connection with the claim of acquired distinctiveness. See *In re Recorded Books, Inc.*, *supra* at 1282; *In re Paint Products Co.*, *supra* at 1866.

⁵ We would point out that in *In re Recorded Books, Inc.*, *supra* at 1281, the Board not only found the designation "recorded books" to be generic for the category of goods described as "prerecorded audio cassette tapes featuring books," but noted in passing that the evidence of record showed that this was not the only generic term for this category and that terms such as "audio books," "talking books" and similar terms had been used to name the same type of product. As stated therein, a product may well have more than one generic name.

We start our analysis with the determination of the applicability of the word "club" to the mail order services offered by applicant. As previously discussed, the NEXIS database excerpts demonstrate general use of the term "mail order club" as a reference to retail mail order services offered for a wide variety of goods, including such relevant products as books and CD-ROMs. But even more significantly, the dictionary definition for "club" set forth above, when taken in conjunction with the promotional material submitted by applicant, shows the applicability of the word "club", even without the modifier "mail order" to applicant's particular services. It is the word "club", in the expression "mail order club," which denotes the benefits and bonuses which are obtained by becoming a subscriber to the services for a period of time, in contrast to the offering of a one-time mail order purchase of a product. Applicant has introduced no evidence which might contradict the interpretation of CLUB as used in AUDIO BOOK CLUB as a generic descriptor of the nature of applicant's mail order services.

Instead, applicant's basic argument is that the evidence of record is insufficient to establish that the combination of the term CLUB with the admittedly generic term AUDIO BOOK results in a designation which is primarily

perceived by the purchasing public as a generic reference to a service, rather than as an indication of a particular source of the service. Applicant contends that its evidence of acquired distinctiveness outweighs the evidence relied upon by the Office in support of the genericness refusal.

It is true that in the first NEXIS database search by the Examining Attorney, many of the references found were to applicant's newly-instituted service. While several instances of generic use were shown in the later search, this evidence in itself is not sufficient to establish the primary public perception of the designation as a generic phrase. The evidence of generic use, however, does not stop here. Instead, we have evidence of use by competitors of the designation in a generic manner for their own clubs. While applicant points to the listing of the Audio Book Club in the Web site maintained by Columbia House as evidence of recognition of its name as an indication of source, applicant fails to note that both the Columbia House Audiobook Club and the Literary Guild Audiobook Club are concurrently listed there. Applicant also fails to indicate any efforts on its part, as the purported originator of this industry, to police the use by competitors of either "audio book club" or its equivalent,

"audiobook club." Even if applicant was the first user of the designation, subsequent use by others in a generic sense cannot be ignored.

In addition, we find there is ample evidence of record to establish that the combination of the two generic terms "audio book" and "club" results in a composite which is equally generic, when used in connection with a mail order service featuring audio books. Applicant has done no more than combine two generic terms which are individually applicable to its services, as we have determined above. The combination creates no different commercial impression; the generic meaning is not lost. Thus, the composite designation is likewise generic. See *In re Gould Paper Corp.*, *supra*, and *In re Associated Theatre Clubs Co.*, *supra*.

We have fully considered the large expenditures made by applicant from 1994 through 1997 to promote and advertise its AUDIO BOOK CLUB services, and its continually rising membership, as well as the documentary evidence that at least some of its subscribers view AUDIO BOOK CLUB as an indication of source. However, if the evidence as a whole establishes that the designation is primarily perceived by the purchasing public as a generic reference, any de facto secondary meaning which the designation may have acquired

cannot render the designation registrable. See *In re Recorded Books*, *supra* at 1281, and the cases cited therein. Here, applicant's evidence is clearly insufficient to establish that the purchasing public in general views AUDIO BOOK CLUB as an indication of source. The Office has met its burden of proof by the introduction of "clear evidence" that the public perception of "audio book club" is as a generic descriptor for mail order clubs for audio books.

Although applicant has made of record several third-party registrations for "BOOK CLUB" marks, we are in no way bound by the fact that the Office has granted those registrations. See *Abraham's Seed v. John One Ten*, 1 USPQ2d 1230 (TTAB 1986); and *In re Signal Companies, Inc.*, 228 USPQ 956 (TTAB 1986). We do not have the records in those cases before us and, thus, we do not know what evidence was of record therein. We have decided the present case on the evidence before us.

Accordingly, we find the designation AUDIO BOOK CLUB to be generic when used in connection with a mail order service featuring electronically recorded books. As such, the designation is incapable of identifying and distinguishing applicant's services from those of others.

In the interest of completeness, we have also considered the evidence introduced by applicant for

purposes of registration under Section 2(f). For this review, we must assume, arguendo, that AUDIO BOOK CLUB is not generic. Nonetheless, the designation is still highly descriptive, and thus the burden on applicant to establish distinctiveness is proportionally greater. See *Yamaha International Corp. v. Hoshino Gakki Co., Ltd.*, 840 F.2d 1572, 6 USPQ2d 1001 (Fed. Cir. 1988).

We find that applicant has introduced insufficient evidence to demonstrate that the purchasing public views AUDIO BOOK CLUB as an indication of a single source of mail order services featuring audio books. While applicant has made large expenditures in advertising and promoting its mail order services in the new area of audio books, there is not adequate evidence of record to establish that these advertising and promotional efforts have resulted in the recognition of AUDIO BOOK CLUB as an indicator of the source of these services, rather than as the name of this new category of "book club" services. Here, as in many prior cases, we find the extent of expenditures and promotion indicative only of an applicant's attempts to develop distinctiveness, rather than the achievement of the same. See, e.g., *In re Recorded Books, Inc.*, *supra* at 1282 [evidence of publicity not indicative, in itself, that publicity was effective in creating distinctiveness].

We have also considered the 49 identical letters submitted by applicant from subscribers to its services, in which the subscribers state that they are familiar with applicant's use of the "name AUDIO BOOK CLUB" and that they believe that the "name AUDIO BOOK CLUB is distinctive in that it identifies and distinguishes the services offered by Audio Book Club, Inc. from those of others."⁶ The fact that the letters are addressed directly to the Commissioner of Patents and Trademarks and are couched in legal terms leads us to the conclusion that the letters were drafted by applicant's counsel, and raises some questions as to whether the signers understood the legal import of their statements. In view of this, and more importantly, because of the highly descriptive nature of the designation, we find these letters insufficient to show that the general purchasing public recognizes AUDIO BOOK CLUB as an indication of source.

Decision: The refusal to register on the ground that the designation AUDIO BOOK CLUB is generic is affirmed. The alternative refusal on the ground that, if AUDIO BOOK CLUB is not generic, but is merely descriptive under

⁶ Although undoubtedly not intended to be interpreted as meaning "generic designation," we find it interesting that in these letters the word "name" is used consistently in reference to AUDIO BOOK CLUB, rather than "mark."

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Section 2(e)(1), applicant's evidence is insufficient to demonstrate acquired distinctiveness is also affirmed.

R. F. Cissel

E. J. Seeherman

H. R. Wendel
Trademark Administrative Judges,
Trademark Trial and Appeal Board

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